

**U.S. DEPARTMENT OF TRANSPORTATION
TRANSPORTATION SECURITY ADMINISTRATION**

SUBJECT: Interim Guidance on Waiver of Dual Compensation Reduction (Annuity Salary Offset)

1. Background

On February 27, 2002, the Office of Personnel Management (OPM) delegated to the Secretary of Transportation authority to waive the dual compensation reduction on behalf of the Transportation Security Administration to hire annuitants under the Civil Service Retirement System (CSRS) or Federal Employees Retirement System (FERS). This delegation ends March 31, 2004, and has been further delegated to the Assistant Secretary for Administration within the Office of the Secretary.

OPM recognizes the direct threat to life and property demonstrated by the attacks of September 11th, the enormity of the Aviation and Transportation Security Act mandates, and TSA's urgent need to hire experienced professionals and the lack of staffing options. The authority to waive the salary offset is to hire "an employee serving on a temporary basis, but only if, and for so long as, the authority is necessary due to an emergency involving a direct threat to life and property or other unusual circumstances."

2. General

Requests for waiver to hire a CSRS or FERS annuitant, who refuses employment without waiver, in a covered position directly and solely related to the establishment and/or operation of TSA will be considered on a **case-by-case** basis **when no other reasonable staffing option exists** – there are no best qualified non-annuitant applicants. Blanket waivers will not be considered. Covered positions include Federal Security Director, Senior Law Enforcement Officer, and other TSA organizational infrastructure positions as determined by the Under Secretary or his designee.

The waiver must be terminated when the conditions that make the waiver necessary change, when the annuitant leaves the position, when the position or nature of work changes, or on the NTE date, whichever occurs first. Reductions in work schedule, career-ladder promotions and periodic salary increases do not terminate a waiver.

3. Request procedures

Waiver requests must be submitted by the appropriate Associate Under Secretary before appointment and in writing to the Director, TSA Office of Human Resource Management. Each request shall include a written copy of the employee's statement declining the offer of employment without waiver and an original of the attached waiver request form.

Please note that waivers cannot be made retroactively. As such, individuals who commence employment before a waiver determination is made will work with salary offset until a positive determination is made. Additionally, an employee who receives a waiver may not contribute to the Thrift Savings Plan, or make retirement contributions.

Attachment

Filing Instructions: File with HRM 553 Guidance

Distribution: TSA affiliated HR Offices, Associate Under Secretaries, Organization Directors

POC: TSAHR/Jan Karicher/(202) 385-1445

Attachment

Waiver of Dual Compensation Reductions

The authority to waive dual compensation limits applies only to temporary positions, and “only if, and for so long as, the authority is necessary due to an emergency involving a direct threat to life and property or other unusual circumstances.”

Requests will be considered only on a case-by-case basis for temporary positions that execute security, rescue, investigative, and directly related functions as required to take urgent actions and further protect our country. These temporary appointments may not exceed 5 years.

Title of Position/Pay Plan/Grade

Full Name of Annuitant:

Annuitant's Retirement Number:

NTE Date of Temporary Appointment:

Duty Station Location:

Waiver: The annuitant has declined to accept the position without a waiver. The written declination is attached.

Specifically describe the position's duties and how they directly support TSA's need to hire experienced professionals to create TSA's organizational infrastructure:

Describe the recruiting efforts for this position.

Explain why you are hiring an annuitant rather than a non-annuitant.

Signature of Requesting Associate Under Secretary

Typed Name/Title/Date/Phone Number of Requesting AUS

TSA HR Official/Date/Phone Number

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_____ **Approved**

_____ **Disapproved**

Melissa J. Allen
Assistant Secretary for Administration

Date _____